

e) comparing said first part to a set amount and, if less than or equal to said set amount, said first part is set equal to said set amount.

### REMARKS

B6 This Amendment is made in response to the Office Action dated October 8, 2002. A Request for Extension of Time for three months and a Notice of Appeal have been filed, whereby the time for reply has been extended to June 7, 2003. A response to each objection and rejection will be made below. Each rejection or objection will be identified by a heading and the page number of the October 8, 2002 Office Action, where the objection or rejection starts.

#### **The Examiner Must Construct a Record Showing Unpatentability that Satisfies the "Substantial Evidence" Standard**

The Federal Circuit reviews findings of fact under the "substantial evidence" standard of the Administrative Procedure Act ("APA") to support the conclusion that a claim at issue is unpatentable. *In re Gartside*, 203 F.3d 1305, 1315, 53 USPQ2d 1769, 1775 (Fed. Cir. 2000). To satisfy the "substantial evidence" standard and, therefore, establish a *prima facie* case of anticipation under 35 U.S.C. 102 or obviousness under 35 U.S.C. 103(a), the U.S. Patent and Trademark Office (USPTO) has the initial burden of establishing unpatentability. *In re Mullin*, 481 F.2d 1333, 1336, 179 USPQ 97, 100 (CCPA 1973). The USPTO (whether an Examiner or the Board of Patent Appeals and Interferences ("Board")) must make the necessary findings to construct an administrative record containing evidence to support these findings, and accompanied by reasons to support a conclusion of unpatentability. *In re Kotzab*, 217 F.3d 1365, 55 USPQ2d 1313 (Fed. Cir. 2000); *In re Zurko*, 258 F.3d 1379, 59 USPQ2d 1693 (Fed. Cir. 2001) ("Zurko IV").

A *prima facie* case requires substantial evidence of all the limitations of the claim being examined. In *In re Kotzab*, the Federal Circuit stated that the mere identification in an applied reference of a particular component that corresponds to a claimed recitation does not satisfy the "substantial evidence" standard. Rather the USPTO is required to make particular findings as to the reasons that a person of ordinary skill in the art, with no knowledge of the claimed invention, would have selected from the applied reference the noted components for

combination in the manner claimed. To support a conclusion that a claimed invention lacks novelty under 35 U.S.C. §102, a single reference must teach all of the elements of a claim. *Hybritech Inc. v. Monoclonal Antibodies, Inc.*, 802 F.2d 1367, 1379, 231 USPQ 81, 90 (Fed. Cir. 1986).

A prior art reference need not expressly disclose a particular element of a claim, if that element is "inherent" in its disclosure. To satisfy the substantial evidence standard, however, the record must make clear that the missing descriptive matter is necessarily disclosed by the cited reference, and that one skilled in the art would have recognized the inherent disclosure. *In re Robertson*, 169 F.3d 743, 49 USPQ2d 1949 (Fed. Cir. 1999). Whether or not a disclosed element is described in an applied reference may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient. To support an anticipation rejection based on inherency, the USPTO must provide the factual and technical grounds establishing that the inherent feature necessarily flows from the teaching of the prior art. *Ex parte Levy*, 17 USPQ2d 1461, 1464 (Bd. Pat. App. & Int. 1990).

The basic rules for analyzing an obviousness rejection under 35 USC §103 were established in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966). A *Graham* analysis requires an inquiry into: (1) the scope and content of the prior art, (2) the differences between the prior art and the claimed subject matter, (3) the level of ordinary skill in the art at the time the invention was made. To establish a *prima facie* case of obviousness under *Graham*, the USPTO must construct a record that addresses each of the above three inquiries. Further, the prior art relied upon must disclose some suggestion or motivation to one skilled in the art to modify the applied reference or to combine a plurality of references. *In re Fine*, 837 F.2d 1071, 1074, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988).

In *Zurko IV*, the Federal Circuit cautioned against the use of taking official notice of facts without providing specific documentary evidence to support these facts. Although the court acknowledged that the USPTO might rely upon its expertise as to peripheral issues, the USPTO could not reach conclusions of patentability based upon its own understanding or expertise with respect to the core factual findings in a determination of patentability. Rather

the Board or the Examiner must point to some concrete evidence in the record to satisfy the substantial evidence standard of the APA.

In establishing a record that would support the combination of certain references, the factual question of motivation is material to patentability and may not be resolved by taking official notice of common knowledge in the art. In particular, the reliance of the USPTO upon conclusionary statements as to motivation does not fulfill the USPTO's obligation to create a record of material facts and findings. *In re Lee*, 61 USPQ2d 1430 (Fed. Cir. 2002).

### **Objection to Specification - Page 12**

The Examiner objected to page 9, lines 21 and 22, which reads "When the data processing system is run, the following results of the illustrative embodiment were found". This passage refers to the results or performance that is set out on Figure 10 under the heading, "Illustrative Embodiment using Common Shareholders Equity as Data Element." A review of Figure 10 indicates that this figure provides a list of companies, and the corresponding allocation for each company.

### **Objection to Claims - Page 12**

The Examiner has objected to claims 30, 38, 42 and 47, which were introduced in this application by Applicant's Amendment dated January 17, 2002. In explaining his objection, the Examiner indicated that that claim 30 is presented on Page 14, claim 38 on Page 18, and claim 42 on Page 19. In the undersigned's copy of the January 17, 2002 Amendment, these claims 30, 38, 42 and 47 do not appear on the indicated pages. Further, the changes suggested to claims 30 and 38 already appear in the January 17, 2002 Amendment. A review of claims 42 and 47 as appear in the January 17, 2002 Amendment indicates that the suggested changes have already been made. Apparently, there is some confusion as to which Amendment contains the correct version of the present claims.

### **Objection to Claims - Page 13**

Applicant respectfully traverses and requests reconsideration of the Examiner's objection to claims 28, 13, 14, 40 and 47. With respect to claim 28, Applicant has added the term "allocates" to this claim as suggested by the Examiner. With respect to claims 13 and

14, these claims depend on claim 46 as shown in the January 17, 2002 Amendment. With respect to claim 40 c), this step has been amended to remove the second recitation of "to each" as suggested by the Examiner. With respect to claim 47 b), "date" has been amended to read "data" as suggested by the Examiner. It is respectfully asserted that the amendments indicated above have fully corrected any objection to the noted claims.

With regard to the objection to claim 28, an amendment to this claim as suggested by the Examiner was made in the Amendment dated January 19, 2002.

### **35 U.S.C. §101 Rejection - Page 14**

Applicant respectfully traverses and requests reconsideration of the rejection of claims 2-8, 10, 11, 13-20 and 22-47 under 35 U.S.C. § 101 as being nonstatutory. Applicant respectfully asserts that the mere conclusionary statement that Applicant's claims "have no connection to the technological arts" falls short of the obligation imposed on the Examiner and the USPTO to construct a record of facts and finding and to cite authority for its holdings. In this instance, the Examiner has not commented on the subject matter recited by Applicant's claims, much less cite authority for his holdings. The determinative test for whether the subject matter of the above listed claims is statutory or not is whether the claimed invention is applied to a practical application. *In re Alappat*, 31 USPQ2d 1545 (Fed. Cir. 1994); *State Street Bank and Trust Co. v. Signature Financial Group, Inc.*, 47 USPQ2d 1596 (Fed. Cir. 1998); and *AT&T v. Excel* 50 USPQ2d 1447 (Fed. Cir 1999). In particular, the Examiner has failed to discuss any of these three decisions of the Federal Circuit,

The subject matter recited in the above listed claims of Applicant is identical in a 101 sense to the subject matter of the Signature Patent, which was at issue in *State Street*. In particular, the Signature patent related to the management of mutual funds and, in particular, of such funds arranged in a "Hub and Spoke" configuration. This arrangement is a financial construct and, more specifically, an investment structure wherein a family of mutual funds (the Spokes) pool their assets into an investment portfolio (the Hub), thereby realizing economies of scale from administrative costs and beneficial tax consequences. In particular, this system provides means for a daily allocation of assets for the Spokes that are invested in the Hub. The system determines the percentage share that each Spoke maintains in the Hub,

while taking into consideration daily changes in both the value of the Hub's investment securities (gains and losses) and the Hub's daily income and expenses. Thus, the system could determine not only the entire value of a Spoke mutual fund but also the price of a share of that fund.

The Federal Circuit held that the invention claimed by the Signature patent was statutory, stating:

(t)oday, we hold that the transformation of data, representing discrete dollar amounts, by a machine through a series of mathematical calculations into a final share price, constitutes a practical application of a mathematical algorithm, formula, or calculation, because it produces "a useful, concrete and tangible result"-- a final share price momentarily fixed for recording and reporting purposes and even accepted and relied upon by regulatory authorities and in subsequent trades.

Focusing on the recitations of Signature's independent claim 1, the similarities of the claimed invention of Signature to that recited by claim 30 of Applicant are clear. Both inventions relate to a method of managing mutual funds. The Signature invention allocates assets to each of the family of funds, i.e., the spoke, and determines the percentage share that each fund has in the assets of the pool, i.e., the Hub, dependent on both the value of each family fund and the expenses and income incurred in the operation of the of the asset's pool. Similarly in a § 101 sense, Applicant's invention as illustratively recited in claim 30 of this application relates to a financial construct, i.e., a method of assembling each security of a population into corresponding industry groups, each security being assigned to its industry group. Further, the value of the data element of each security is summed to provide an industry total and a universe total of the data element of each security of the population. Thus Applicant respectfully asserts that Applicant's financial construct, namely a plurality industry groups, where each group represents securities of a selected group, is a practical application in the § 101 sense. Further, Applicant's summing of the group total and the universe total produces a "useful, concrete and tangible result" in the same sense as explained in *State Street*. In particular, a monetary total or price is used to determine the content of each industry group. In view of the above reasons and noted authorities, Applicant respectfully asserts that all of the claims presented in this application are statutory as defined by 35 USA § 101.

**35 U.S.C. § 112, 2nd ¶ - Page 15**

Applicant respectfully traverses and requests reconsideration of the rejection of claims 4, 19 and 37 under 35 USC § 112, Paragraph 2 (not 1 as stated in the outstanding Office Action). Applicant has previously responded in his January 17, 2002 Amendment to the rejection of claims 4 and 19 by making these claims respectively depend from claims 40 and 16 (see pages of the 21 and 23 of Applicant's January 17, 2002 Amendment). Applicant has amended claim 37 to delete "utility" from claim 37 and substituted therefor "industry" as suggested by the Examiner.

**35 U.S.C. § 112, 1st ¶ - Page 16**

Applicant respectfully traverses and requests reconsideration of the rejection of claims 30, 35, 38, 42, 44 and 47 as lacking adequate support in the specification to support their recitations. Page 4, Lines 21-23 of Applicant's specification, reads "Finally, the present system excludes from the universe (of) companies included as 'miscellaneous' but which have not yet been assigned an industry category because the invention does not assign industry categorization." The sentence clearly indicates that companies, which are included or categorized by Value Line as "miscellaneous", will not be assigned an industry categorization in this illustrative embodiment which uses Value Line. Note lines 3-8 of page 4 of Applicant's application, which clearly indicates that Value Line is used in an illustrative embodiment of this invention implying that other sources of industry data may be used without departing from the teachings of this invention. Though Value Line does not categorize miscellaneous, it is clear that Value Line does assign industry categorizations to a company (as noted at lines 3-8 of page 4) and, thus, fully supports the step of assigning in the claim noted above.

**35 U.S.C. § 112, 1st ¶ - Page 17**

Applicant respectfully traverses and request reconsideration of the rejection of claim 12, 16, 19 and 47 under 35 U.S.C. § 112, 1st Paragraph as reciting subject matter, namely "first and second part", which the Examiner does not find in Applicant's disclosure. Applicant notes that the originally filed claim 12, which is included as a part of Applicant's disclosure for 1st Paragraph purposes, recited "a plurality of parts". Applicant respectfully

asserts that the recitation of "first and second parts" is fully supported by a disclosure of "a plurality of parts."

**35 U.S.C. § 112, 2nd ¶ - Page 17**

Applicant respectfully traverses and requests reconsideration of the rejection of claims 2, 10, 13, 20, 22, 28-30, 35, 39, 40, 42, 44, 45, and 47 as being indefinite under 35 U.S.C. § 112, 2nd Paragraph for their recitation of "data element". The Examiner states that, "The claims do not specify which (one or more) data elements is/are being used." Applicant may be his own lexicographer and has defined the term "data element" to mean the style of, or how a security is evaluated. For example, a data element may illustratively take the form of any of the following: market capitalization, net income, common shareholders equity, net income, net revenue, net earning and total asset (see page 5, lines 11-16 of this application). Further, Applicant has written his claims broadly so as to only require at least one data element, thus indicating that one or more market elements could be included within the scope of his claims.

**35 U.S.C. § 112, 2nd ¶ - Page 18**

Though the Examiner has not specified the statutory basis of his rejection of claims 32, 33 and 34, the undersigned will make a response as if 35 USC § 112, 2nd ¶ was the intended basis. Thus, Applicant respectfully traverses and requests reconsideration of the rejection of claims 32, 33 and 34 as being indefinite under 35 USC § 112, 2nd Paragraph. In particular, Applicant has amended these claims to recite "the amount of" said industry total, whereby the aspect of the industry is defined and these claims are rendered definite under the Paragraph 2.

**35 U.S.C. § 112, 2nd ¶ - Page 18**

Though the Examiner has not specified the statutory basis for his rejection, the undersigned will respond to this rejection of claims 37, 42 and 43 resulting from the recitation of the term "number" as based on 35 USC § 112, 2nd Paragraph. Considering first claim 37, step 60 of Figure 4 compares an industry allocation with a first limit and, if greater than the first limit, 1 or 2 securities are assigned to an industry allocation, and if greater than

a second limit, then 4 securities may be allocated as shown in Figure 5. Applicant respectfully asserts that claim 37 clearly reflects Applicant's process as shown in Figures 4 and 5 and, therefor, claim 37 is definite within the meaning of Paragraph. 2. With respect to claims 42 and 43, Applicant has amended these claims to further describe a security and "said data element of" the security. It is respectfully asserted that the nature of the security is now clearly recited and the Paragraph 2 rejection for indefiniteness has been fully cured.

**35 U.S.C. § 112, 2nd ¶ - Page 19**

Applicant respectfully traverses and requests reconsideration of the rejection of claim 38 as being indefinite under 35 USC § 112, 2nd Paragraph for reciting the term "value". Applicant respectfully asserts that one skilled in the financial arts would recognize in the context of claim 38 that the term value has a monetary meaning.

**35 U.S.C. § 112, 2nd ¶ - Page 19**

Applicant respectfully traverses and requests reconsideration of the rejection of claims 41, 42 and 43 as being indefinite under 35 USC § 112, 2nd Paragraph for the use of the terms "update" and "updating". Applicant respectfully traverses the Examiner's analysis that updating and accessing data from a real time source requires batch processing and, therefore, conflicts with the real time source of the current values of said data elements. Applicant respectfully traverses the Examiner's characterization of the claim 41 recitation as requiring batch processing. One skilled in the data processing art would appreciate that a real time source of data could be accessed periodically without necessarily performing batch processing. With respect to claim 42, Applicant has amended this claim to remove the term "substantially" and to add the term "data element" substantially as suggested by the Examiner. With respect to claim 43, Applicant has added the term "data element" as was suggested by the Examiner, whereby this rejection has been overcome.

**35 U.S.C. § 103 - Page 21**

Applicant respectfully traverses and requests reconsideration of the rejection of claims 2-8, 10, 11, 13-20, and 22-47 as being obvious under 35 USC § 103 over the combination of a "Pre-Effective Amendment to Registration Statement of an Open-End



Management Investment Company", Industry Leaders Fund, Form N-1a/a, SEC Files 333-62893, 811-08989, Accession Number 950130-98-5709 ("SEC Filing") taken in combination with U.S. Patent No. 5,745,706 of Wolfberg (the "Wolfberg Patent").

#### SEC Filing is Not a Printed Publication

The initial issue presented by this rejection is whether the SEC Filing is a printed publication as defined by 35 USC § 102(b) and, thus, available to be used as a reference in the above stated rejection. The individual who asserts that a particular document is a printed publication must bare the burden of producing sufficient evidence to support that conclusion. *In re Wyer*, 210 USPQ at 795. In this instance, the burden to provide such evidence and to construct the record required by APA is on the Examiner and the USPTO.

The SEC Filing is "proven to be a 'printed publication' upon a satisfactory showing that such document has been disseminated or otherwise made available to the extent that persons interested and ordinarily skilled in the subject matter or art, exercising reasonable diligence, can locate it." *In re Wyer*, 655 F.2d 221, 210 USPQ 790 (CCPA 1981) (quoting, *I.C.E. Corp. v. Armco Steel Corp.*, 250 F.Supp. 738, 743, 148 USPQ 537, 540 (SDNY 1966)). The Federal Circuit elaborated that, "the statutory phrase 'printed publication' has been interpreted to mean that before the critical date the reference must have been sufficiently accessible to the public interested in the art; dissemination and public accessibility are the keys to the legal determination of whether a prior art reference was published." *Constant v. Advanced Micro-Devices, Inc.*, 848 F.2d 1560, 1568, 7 USPQ2d 1057, 1062 (Fed. Cir.), *cert. denied*, 109 S.Ct. 228 (1988).

In *In re Cronyn*, 13 USPQ2d 1070 (Fed. Cir. 1989), the Federal Circuit speaks to the issue of accessibility in a manner that is relevant to this application and the SEC Filing. *Cronyn* involved 3 college theses and whether they were printed publications. The theses were filed and shelved in a main college library and also in a library of a department to which the student authors belonged. Each thesis was listed on a separate card, which showed the name of the student and the title of the student's thesis. There were approximated 6,000 cards listing theses in the main library. In the department library, there were approximately 450 cards, which were kept in a shoebox and arranged in alphabetical order by the student's

name. The titles of the three theses at issue had descriptive titles; one of these titles read for example "Cyclic Methanedisulfonate Esters by Silver Salt Method." Other theses kept in the department library had fanciful titles, e.g., "Make My Func. the P Func." Both the cards and the theses were publicly available for examination.

In *Cronyn*, the Federal Circuit decided that the theses were not printed publications. In particular the court held that these 3 theses "were not accessible to the public because they had not been either cataloged or indexed in a meaningful way." The placement of titles on only three out of 450 cards and filing the cards alphabetically in the box did not render these theses sufficiently available to make them accessible to the public. In addition, the student's name on the card did not effect the availability of the theses, because the student's name bore no relationship to the subject matter of the student's thesis.

In *Camp Bros. & Co. v. Portable Wagon Dump & Elevator Co.*, 251 F. 603(7th Cir. 1917), the court held that a prosecution history of an issued U.S. Patent that was stored in the records of the U.S. Patent Office (as it was known then) was not a printed publication. In the practice of that time, when a patent was issued on a divisional application, that portion of the original specification that relates to the unclaimed subject matter was deleted from the issued patent. Thus, the court reasoned that, "It is within the domain of possibility that as to every patent which has been granted the original application disclosed some other invention unrelated to that for which the patent issued, and which only an examination of the file wrapper would reveal." Thus if a file history is to be considered a printed publication, it would be necessary that "every file wrapper in the Patent Office (be) searched... Thus the court concluded that the file history was not a printed publication because of "the practical impossibility of...the search" to find what "lies buried in some one file wrapper of the infinite number (of file histories) in the Patent Office."

In *In re Wyer*, 210 USPQ 790 (CCPA 1981), the court defined accessibility as those documents, which may be located by the interested or skilled public by "exercising reasonable diligence" (quoting *I.C.E. Corp. v. Armco Steel Corp*, 148 USPQ 537, 540 (SD NY 1966)). The document at issue was an Australian Patent Application, which had been classified and laid open to public inspection at the Australian Patent Office and each of its five sub-offices. In addition, equipment was available at the Australian Patent Office and the

five sub-offices for displaying a copy of the Australian Patent Application at issue, and for producing copies of the Application for sale to the public. The court defined the test for holding the Australian Patent Application to be a printed publication as requiring, "a satisfactory showing that such document has been disseminated or other wise made available to the extent that persons interested and ordinarily skilled in the subject matter or art, exercising reasonable diligence, can locate it and recognize and comprehend" the document's content. *Wyer* at p 794. The court concluded that the Australian Patent Application was a printed publication, thus confirming that the interested or skilled public were able to purchase the application by exercising reasonable diligence.

*Cronyn*, *Wyer* and *Camp Bros.* have defined the limits of reasonable diligence that the interested public must exercise to locate a document, whereby that document is deemed a printed publication. *Cronyn* and *Camp Bros.* stand for the proposition that unreasonable diligence is not required for the document to be considered a printed publication. In other words, *Cronyn* did not require the interested public to review each of the 450 theses maintained in the department library. Similarly, *Camp Bros.* did not require the related public to access and study each file history kept in the Patent Office (even appreciating that there were significantly fewer prosecution histories kept in the Office in 1917 than today). On the other hand, *Wyer* deemed the public's purchase of the Australian Patent Application at the Australian Patent Office or its five sub-offices as requiring only reasonable diligence, whereby such a purchased application was deemed to be a printed publication.

Relying particularly on *Cronyn* and *Camp Bros.*, these cases require that the interested public be able to locate the relevant document and distinguish it from among other, irrelevant documents. In *Cronyn*, the cards did not help the interested public to distinguish the three relevant theses from the 447 irrelevant theses in the department library. Because the cards "had not been either cataloged or indexed in a meaningful way", the public was forced to review each of the 450 theses. Such a search exceeds the reasonable diligence imposed on the public and, therefore, the three theses were not deemed to be printed publications. In *Camp Bros.*, there was no search aid available to help the public locate a relevant file history among the "infinite number in the Patent Office". The *Camp Bros.* court characterized such a search through the records of the Patent Office "a practical

impossibility". Without a "meaningful" index or any index, making the necessary search to locate a relevant prosecution history would certainly require more than reasonable diligence. Thus for a document to be indexed "in a meaningful way", it must be capable of distinguishing a relevant document from the irrelevant ones.

In this instance where the SEC Filing is stored on Edgar and available through the SEC's website as well as commercial data bases such as Dialog and Lexis, the determinative issue is not whether documents from the Internet are disseminated, but rather whether the SEC Filing is reasonably accessible to persons concerned with the technology to which the SEC Filing relates.

Applicant respectfully asserts that the Examiner has failed to raise a presumption that the SEC Filing is a printed publication under 35 USC § 102(b). The USPTO states that, "By showing that an electronic publication was properly dated, retrievable and **accessible** to the public, the Examiner has made a *prima facie* case that the electronic publication qualifies as prior art. The burden now shifts to applicant to prove otherwise (emphasis added)." See "When is an Electronic Document a Printed Publication for Prior Art Purposes?", by Supervisory Patent Examiner Wynn W. Coggins of the USPTO, Presented at the American Intellectual Law Association, October 2002. The Examiner asserts that he "has raised the presumption that, in accordance with SEC standard practice, applicant's SEC Filings are published and disseminated at least to that portion of the public concerned with the art. Examiner's presumption has not been rebutted." See Page 10, Lines 17-19 of the October 8, 2002 Office Action. Though the Examiner's quoted statement is unclear as to what presumption he wanted to raise, it is certain that the Examiner does not assert, much less raise by his October 8, 2002 Office Action, a presumption or establish a *prima facie* showing that the SEC Filing is accessible to the interested public and, therefore, is a printed publication.

The Examiner asserts, "The EDGAR database at the SEC has been available and searchable to persons concerned with the art to which the document relates at least since prior to December 4, 1988, the date the SEC Filing in question. It is standard practice for the SEC to disseminate filings. To show this, Examiner cited selected materials found on DIALOG WEB®." See Page 4 of the October 8, 2002 Office Action. To support his

quoted statement, the Examiner lists (see Pages 4 and 5 of the October 8, 2002 Office Action) the following references:

- (a) The SEC Opens the Door. (Securities And Exchange Commission's Electronic Data Gathering Analysis and Retrieval System), Castelluccio, Michael, Management Accounting (USA), v. 78, n. 1, p. 58(1), published July, 1996; retrieved from the Internet from Dialog Information Services; Dialog Accession number 00193444; date accessed: 04/12/2002.
- (b) SEC Film File and Microfilm Dissemination, Sponsor: Securities & Exchange Commission, Procurement & Contracts Branch, published 19 November 1984; retrieved from the Internet from Dialog Information Services; Dialog Accession number 0779144; date accessed: 04/12/2002.
- (c) Computerizing Uncle Sam's Data: Oh, How the Public is Paying, Frances Seghers, Business Week, published 15 December 1986; retrieved from the Internet from Dialog Information Services; Dialog Accession number 0025288; date accessed: 04/12/2002.
- (d) Government Project Frees Up Access to SEC Data, Communications Daily, v. 13, n. 205. Published 25 October 1993, Warren Publishing Inc.: retrieved from the Internet from Dialog Information Services; Dialog Accession number 02206561; date accessed: 04/12/2002.
- (e) SEC Adopts new Electronic System, Cynthia Williams, Electronic Banking & Finance, v. 6, n. 4. Published June 1989 by Elsevier Science, Inc.; retrieved from the Internet from Dialog Information Services; Dialog Accession number 01109521; date accessed: 04/12/2002.
- (f) Prepared Testimony of Arthur Levitt, Chairman, U.S. Securities And Exchange Commission Before The House Committee On Appropriations Subcommittee On Commerce, Justice, And State, The Judiciary, And Related Agencies Concerning Appropriations For Fiscal Year 1997. Published 9 May 1996; retrieved from the Internet from Dialog Information Services; Dialog Accession number 00175957; date accessed: 04/12/2002.

(g) The SEC and commercial information services disseminate information via publicly accessible databases. See at least "Important Information About EDGAR" [www.sec.gov/edgar/aboutedgar.htm](http://www.sec.gov/edgar/aboutedgar.htm) last modified and published 28 June 1999, and "FTP Information on EDGAR database" <http://www.sec.gov/edgar/searchedgar/ftpusers.htm>, referring to publishing by a company called TRW after 11 November 1998. Retrieved from the Internet on 04/17/2002:

Based upon a careful study of each of the above listed references, the undersigned asserts that none of these listed references describes any characteristics of EDGAR which would demonstrate that the SEC Filing could be located in EDGAR and was accessible to the interested public as defined in the above discussed authorities. In particular, none of these references discuss what indices could be used to search EDGAR and/or the results of the contemplated search of EDGAR. In particular, these listed references are silent as to whether EDGAR and the described indexes could distinguish the SEC Filing from the other irrelevant documents.

The Examiner has stated that various databases are searchable and that various search terms may be used. In particular, the Examiner states that EDGAR is "available and 'searchable' to persons concerned with the art to which document relates". See Page 4, Lines 1-4. Similarly, the Examiner states that, DIALOG WEB® is searchable at least by text and Boolean operators. Search terms may include words such as *mutual, funds, allocation, allocate, industry, percent, etc.* One may also enter parameters such as *dates*." See Page 7, Line 22 to Page 8, Line 3. Still further, the Examiner indicates that, "the various indices and databases, such as SEC, EDGAR, DialogWEB® or WESTLAW®, are accessible via the internet and the *World Wide Web* (emphasis added)." See Page 10, Lines 8-10.

Applicant does not assert that EDGAR can not be searched by a key word. Applicant includes herewith his Information Disclosure Statement (IDS), which cites numerous references that indicate that EDGAR or variations thereof, e.g., EDGAR Plus, may be searched by key words. Rather, the critical issue is whether the indexes or search engines relied upon by the Examiner may be used to search EDGAR in a manner that will effectively distinguish the SEC Filing from other irrelevant documents, i.e., is EDGAR accessible in the *Cronyn* sense. The articles listed in the enclosed IDS, the articles listed above and the rest of

the October 8, 2002 Office Action are silent as to what search terms (or argument) were used to search EDGAR to locate the SEC Filing and to distinguish it from other, irrelevant documents.

Though the Examiner has suggested that various databases are searchable and various search terms could be used, the Examiner has neither identified the database nor the search argument that actually produced the SEC Filing. Without knowing the specifics of the search that produced the SEC Filing, namely the database, the search argument and the results, it would be impossible to determine whether the SEC Filing is accessible and therefor a printed publication. As noted above, the burden to provide evidence of the argument and the results is imposed on those asserting that the SEC Filing is a printed publication, namely the Examiner, his Supervisor and the USPTO.

The search information needed to determine whether the SEC Filing is accessible includes at least the name of the particular data base or search engine that was used to identify the SEC Filing, the argument of search terms, and identification of the documents produced by using the search argument on the particular data base or search engine. The Examiner has failed to provide that particular search argument that was used, the database that was searched with the particular argument, the results produced by such a search, and that these results included the SEC Filing. Without these details, it is impossible to determine whether the SEC Filing was accessible. In the absence of such particulars, the Examiner's statements that the SEC Filing is a printed application are mere conclusory statements, to which no weight need be given. In particular, the Examiner has not created a record as required by the APA.

Applicant submits with this Amendment an Affidavit Under 37 CFR § 1.132, which was executed by Travis L. Gering and provides thereby the results of searches of each of the search engines noted above, namely, EDGAR, Findlaw, LEXIS/NEXIS and WESTLAW, and the above listed search terms, namely, mutual, funds, allocation, allocate, industry, and percent. As set out in the enclosed 132 Affidavit, each of these searches produced numerous documents. The number of documents produced by these searches ranged from 1891 to 46,900,000. The lowest number of documents resulting from any of these searched was in the EDGAR search engine, which indicates that the interested public would need to search at

least 1891 documents. Applicant respectfully asserts that *Cronyn*, which involved only 450 documents, clearly supports his position that making the interested public search 1891 documents would require unreasonable diligence by the interested public. In particular, the indexes and search engines suggested by the Examiner are not meaningful for the reason that these search engines do not distinguish the irrelevant documents from the relevant ones. For these reasons, Applicant respectfully asserts that the SEC Filing does not qualify as a printed publication as defined by 35 USC § 102(b).

The Examiner, in a telephone interview of April 7, 2003, refused to answer the undersigned's request for the search indices or engines, search terms or the results of any data base searches that he made to locate the SEC Filing. In a further telephone call of that date, the Examiner's Supervisor also refused to provide the requested search information and, further, stated that the USPTO was not obliged to provide such information to applicant or applicant's attorney.

The submission of the search indices and results requested by the undersigned is required to prove accessibility of the SEC Filing to the interested public, to establish a prima facie showing that the SEC Filing is a printed publication and to provide that record required by the ADO, which contains substantial evidence of accessibility. Applicant has offered evidence by the enclosed 132 Affidavit, which establishes that a search on any of the above listed databases using any one of the listed terms will not produce a meaningful index or locate the SEC Filing in a manner that will distinguish it from the other irrelevant documents.

Applicant respectfully traverses the Supervisor's assertion that an Examiner or the USPTO is not obliged to provide the Applicant a search argument and results. Rather, the MPEP 2128.01 indicates that the "Office Policy (requires) recordation of the field of search and search results", and indicates that the provision of such information will strengthen the finding that any document at issue is accessible and, therefore, are printed publications.

For the above reasons, the Applicant respectfully asserts that the Examiner has failed, much less constructed a record as required by the APA to establish that the SEC Filing is a printed publication. Therefore, this document can not be used as a reference in the above stated rejections under §103..



SEC Filing and the Wolfberg Patent Do Not Disclose Applicant's Claimed Invention

Even if we assume for the purposes of argument that the SEC Filing is a printed publication, the stated rejection based on the combination of the SEC Filing and the Wolfberg Patent would fail for a number of reasons. First at Page 21, Line 11 to Page 22, Line 6 of the October 23, 2002 Office Action, the Examiner states that the SEC Filing discloses a claim comprising recitations a) - d). The undersigned has carefully compared the recitations a) - d) with each of the claims now present in this application with out find any single claim that recites recitation a) - d). In other words, the Examiner has misconstrued the scope of Applicant's claims.

Second, the undersigned has carefully reviewed the prior art rejections set out on Page 21, Line 5 to Page 27, Line 5 by the Examiner. Though the Examiner has characterized the teaching of the prior art at length, he has failed to almost entirely apply the prior art to particular claim recitations. The only mapping of a prior art teaching is made to claims 10 and 11 at Page 23, Line 15. Thus the Examiner has failed to create that record which shows how the prior art is applied to all of claims presented in this application in a manner that would satisfy the substantial evidence standard of the Administrative Procedures Act.

Further, Applicant respectfully asserts that at least claims 2 - 8, 13 - 18, 20 - 29, and 35 - 47 are not obvious over the Wolfberg Patent and/or the SEC Filing whether each is taken alone or in combination or whether or not the SEC Filing qualifies as a printed publication with respect to this application. Further, the Examiner has not created a record under the APA that supports his rejection of the above listed claims based on a failure to: 1) show that all of the claims' recitation are met by the applied references; and 2) map the applied references to each of the rejected claims.

First, Applicant respectfully traverses and requests reconsideration of the rejection of claims 2 - 8, all of which now depend from claim 40, as being obvious over the Wolfberg Patent and/or the SEC Filing. Applicant respectfully asserts that neither reference discloses the recitations of claim 40, namely the method of (a) assigning each security of a population to a particular industry, (b) summing the data elements to obtain an industry total, (c) allocating an industry allocation to each industry group, and (d) repeating step a) at selected

times. Applicant asserts that neither cited reference teaches steps (a), (b) and (c) as discussed in detail above, much less step (d) of repeating step a) of assigning at selected times therefrom.

Similarly, Applicant respectfully asserts that independent claim 40 and claims 2 -8 and 41 dependent therefrom are neither anticipated nor obviated over the SEC Filing, even if it should be deemed to be a publication. In particular, neither the SEC Filing nor the Wolfberg Patent discloses the recitations of independent claim 40, which recites the step d) of repeating the step a) of assigning to accurately account for those securities that have changed their industry.

Second, Applicant respectfully asserts that independent claim 35, and claims 36 and 37 dependent therefrom, are obviated neither by the Wolfberg Patent nor the SEC Filing (if it should be finally deemed to be a printed publication) whether taken singly or in combination. In particular, independent claim 35 recites step (d) for "setting said number of securities in accordance with said magnitude of said industry total of said one industry group", which is not taught by either of these references.

Third, Applicant respectfully asserts that independent claim 38 and claim 39 dependent therefrom are obviated by neither the Wolfberg Patent nor the SEC Filing (if it should be finally deemed to be a printed publication), whether taken singly or in combination. In particular, independent claim 38 recites the step c) of "comparing said industry total ... with a limit ... and, if less, allocating an industry allocation ... to at least one security" of the group, step (d) if the industry is greater, of "allocating said industry allocation ... to at least two securities", and step (d) of "setting said limit to a given magnitude, whereby said industry allocation to any one security of said one industry group may not exceed said given magnitude", which is not taught by either of these references.

Fourth, Applicant respectfully asserts that independent claim 42 and claim 43 dependent therefrom are neither obviated by the Wolfberg Patent nor the SEC Filing (if it should be finally deemed to be a publication), whether taken individually or in combination. In particular, neither reference discloses the recitations of independent claim 41 which recites (d) "determining whether one of said plurality of securities" ... is greater than another" of the

same group "by a predetermined amount and, if not, allocating said industry allocation substantially equally" to the two securities, which is not taught by either of these references. In the absence of any teaching of this recitation by either the Wolfberg Patent and/or the SEC Filing, the Examiner in the outstanding Office Action takes in effect official notice of such recitation in the prior art base. Applicant respectfully challenges and traverses such notice because it does not comply with § 2144.03 of the MPEP. First as provided for in the MPEP, this teaching is not "capable of instant and unquestionable demonstration as being well known". Thus, Applicant respectfully traverses the Examiner's taking of official notice and requests the Examiner to cite a references that fully shows the recitations of claims 42 and 43.

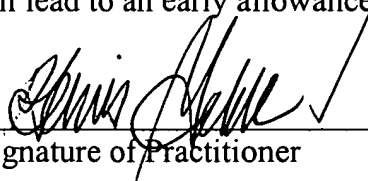
Fifth, Applicant respectfully asserts that independent claim 44, and claims 45 and 46 dependent therefrom are neither obviated by the Wolfberg Patent nor the SEC Filing (if it should be finally deemed to be a publication), whether taken individually or in combination. In particular, neither of these references disclose the recitations of independent claim 44 which recites step (b) of "selecting said data element from a plurality of different kinds of data elements to provide a particular style of investing corresponding to said selected data element", which is not taught by either of these references..

Sixth, Applicant respectfully asserts that independent claim 47 (formerly claims 12 and 16) and claims 13 - 29 dependent therefrom are neither obviated by the Wolfberg Patent nor the SEC Filing (if it should be finally deemed to be a publication), whether taken individually or in combination. In particular, neither of those references disclose the recitations of independent claim 46, which recites step c) of "dividing selectively an industry allocation into at least first and second parts thereof"; step (d) of "allocating said first and second parts selectively among two of said corresponding securities of said one industry group having the largest data elements", and step e) of "comparing said first part to said set amount and, if less than or equal to said set amount, said first part is set equal to said set amount", which is not taught by either of these references. In the absence of such teaching, it is apparent that the Examiner is taking notice of these recitations. Relying upon the MPEP as detailed above, Applicant respectfully traverses and challenges said notice and requests that the Examiner site a reference to support his notice.

The Examiner elaborates at length from Page 25, Line 18 to Page 27, Line 5 on the teachings of the Wolfberg Patent. The Examiner asserts that this reference teaches a "spending flexibility model". Such a model involves a computer system for managing investment and spending accounts in accordance with a selected guideline for spending flexibility and with an investment returns guideline. The computer system associates the spending account with the related investment account, so that the account holder may access the spending account within the spending flexibility guidelines, while the associated investment account is controlled within the investment guidelines. The computer system monitors inflows and outflows from the accounts and investment returns for the accounts, and makes adjustments to the accounts to achieve the guidelines. Applicant respectfully asserts that his invention does not involve such a model or Wolfberg's spending flexibility guidelines, and that the Holfberg Patent does not teach any of the recitations of the claims 2-8, 13-18, 20-29 and 35-45 as detailed above. As indicated above, the Examiner has failed to apply the teaching of the Holfberg Patent to the recitations of these claims, much less construct a record of the requisite findings of facts, i.e., make a showing of what parts of the Holfberg Patent discloses each recitation of Applicant's claims.

### CONCLUSION

In view of the above discussion, Applicant respectfully asserts that each of the objections and rejections posed in the outstanding Office Action have been overcome and that this application is now in condition for allowance, which action is requested. If the Examiner is unable to allow this application, he is requested to place a telephone call to the undersigned to suggest those changes that will lead to an early allowance of this application.

  
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Signature of Practitioner

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